political life to the boards of Public Sector Corporations?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) Yes, Sir.

(b) Government's policy is to appoint such people on the Board of Public Sector concerns as are suitable. People in political life, if suitable, may also be appointed.

1916. (*Transferred to the 2nd December*, 1988)

Advertisement for deposits from public by the Indian Express Newspapers Private Limited

1917. SHRI SATYA PRAKASH MALAVIYA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that advertisement seeking deposits from the public by the Indian Express Newspapers (Bombay) Private Limited, appeared in the Indian Express edition of Madras on 7th September, 1987;

(b) whether it is a fact that the advertisement did not reveal the fact that Nariman Point Building Service and Trading Private Limited (NPBST) and ACE Investment Private Limited are also closely related companies which are in fact the real estate owning companies;

(c) whehter Government have noticed this lapse which was done deliberately; and

(d) what action Government propose to take in the matter?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) An advertisement was published in the Madras Edition of Indian Express, dated the 8th September, 1987.

(b) and (c) Under the Companies (Acceptance of Deposits) Rules, 1975, information regarding closely related companies is not required to be stated in the advertisement.

(d) Does not arise.

Inspection of Indian Express Group of Companies

1918. SHRI SATYA PRAKASH MALAVIYA: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government's attention has been drawn to the report that in the course of an inspection of Indian Express Group of Companies, carried out by Company Law Board, it was found that "ACE PVT LTD.", one of the group companies, was suddenly delinked from the chain with a view to enable Ramnath Goenka to acquire controlling interest in ACE PVT LTD. which owns all the real estate assets at Bombay, Madras, Bangalore and Delhi;

(b) if so, what are the details of this transaction; and

(c) what action has been taken or proposed to be taken by Government in the matter?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b) The inspection report under section 209A of the Companies Act, 1956 pertaining to Indian Express Newspapers (Bombay) Pvt. Ltd., disclosed that ACE Investments Ltd., a wholly owned subsidiary of Indian Express Newspapers (Bombay) Pvt. Ltd., controlled Express Newspapers Ltd. which was owning real estate properties at Bombay, Madras, Bangalore & New Delhi. Later on M/s. Indian Express Newspapers (Bombay) Pvt. Ltd., transferred its entire holdings in ACE Investments Ltd. to Shri R. N. Goenka and his relatives.

(c) Company Law Board ordered an investigation under Section 237(b) of the Companies Act on 13-11-1987 to investigate into the affairs of the eight companies belonging to Goenka Group including ACE